

July 8, 2003

The Honorable Earl Pomeroy United States House of Representatives 1110 Longworth House Office Building Washington, DC 20515

Re: Your Support for Equal Treatment for Medicare Beneficiaries and Services Provided in Rural Areas

Dear Representative Pomeroy:

On behalf of the National Rural Electric Cooperative Association (NRECA), I want to gratefully acknowledge your leadership on rural healthcare issues as the Congress moves toward enactment of a Medicare prescription drug program.

Your co-sponsorship of an amendment with Representative Jim Nussle (R-IA) adopted in the House Ways and Means Committee dramatically improves reimbursement inequities that impact rural physicians and hospitals that serve so many of our 35 million consumer-owners. This bipartisan provision, adopted by a resounding 39-0 by the Committee, will help keep the doors open to health care for millions of rural Americans and ensure proper care for the most vulnerable Medicare beneficiaries.

Over 130,000 NRECA member employees and their families are enrolled in NRECA-sponsored health plans, and most rural Americans receive their electric service from electric cooperatives. We are keenly aware of the deteriorating condition of the rural health care system, the breathtaking increases in health costs being faced by our communities and the impact these conditions are having on the health care program that NRECA sponsors for our member cooperatives.

When rural providers don't receive adequate payment from Medicare for their services, it further weakens the rural health system for everyone. Costs go up and services decline, which is making it increasingly difficult for rural electric cooperatives to maintain comprehensive health care benefits for their employees and families. Even more important, this is a critical issue for the 35 million rural electric cooperative consumer-owners — many of whom do not have a company-provided health plan.

We thank you for your dedication to improving the quality of care for rural America. NRECA will continue to work with you to ensure that these provisions are kept in the House and Senate Conference bill. We look forward to continuing our work with you and your staff.

Sincerely,

Glenn English

Chief Executive Officer